

**NEXT MOVE IN
MEXICO WANTS
ON CARRANZA**

No Reply Yet to Demand
That He Explain Fu-
ture Course.

**TROOP MOVEMENT
TO BORDER GOES ON**

Aguilar's Statement Taken
as Food for "Home
Consumption."

WASHINGTON, July 1.—With the exception of the steady moving machinery of militia mobilization for service on the border, developments in the Mexican situation have been brought to a standstill by reason of the fact that nothing official has been heard yet from Carranza.

He has not replied formally to the note of last week, which, in demanding the release of the American troops captured in the Carrizal fight, also asked for an explicit statement of his future course of action. Nor has he sent a rejoinder to the American reply to his demand for a withdrawal of the American expedition.

President Wilson returned this morning from his trip to New York to find the situation practically unchanged, except for the receipt of a brief despatch from Special Agent Rodgers at Mexico City confirming press reports concerning the statement issued yesterday by the Mexican Foreign Office.

Apparently convinced that nothing was likely to develop to-night, the President spent the evening with Mrs. Wilson at the theatre.

The House, after passing the Hay resolution appropriating \$2,000,000 for the relief of dependent wives, children and mothers of militiamen called to the front, adjourned over the Fourth of July until next Wednesday.

To Please Home Folk.

Officials of the Administration after examining the text of the Foreign Office statement issued at Mexico City proposed to issue it in the light of a document intended for "home consumption." The fact that the statement is extremely truculent in tone is not regarded as particularly serious in view of the fact that it makes no additional threats and closes with what might be interpreted as an invitation to discuss anew proposals for an agreement under which the American forces might operate in Mexico.

At the Mexican Embassy tonight it was stated that no fresh advice had been received concerning the next step of the Carranza Government. For the first time in several days Mr. Arredondo had no new complaints to file with the State Department regarding alleged outrages perpetrated by American soldiers and civilians against Mexicans along the border.

The other Latin American diplomats are awaiting with keen interest the next development. In some of these quarters the suggestion was indorsed that Gen. Carranza may take advantage of President Wilson's Mexican references in New York last night to adopt a more stubborn attitude.

Minister of Secretary Lansing's previous unwillingness to discuss any mediation offers, the Latin American representatives are biding their time, intending to renew their offers only in the event that the situation gets to a point where hostilities appear imminent.

There is a disposition to believe, however, that in view of the President's New York speech Mr. Wilson is prepared to adopt an even more lenient attitude in his efforts to avoid a clash.

The American Side.
The War Department received tonight the following report from Gen. Bell at El Paso regarding the complaint of the Mexican Government that American troops at Ysleta, Tex., had killed a Mexican customs inspector:

Serjt. J. K. Pair, Troop G, Eighth Cavalry, while on outpost duty at 6:45

"DRIVING AMERICANS NORTH."

When Pershing Quite Namiagua Posters Announce Great Victory.
COLUMBUS, N. M., July 1.—Close on the heels of Namiagua's evacuation by the American punitive expedition 1,500 Carranzista cavalry occupied the town. Posters immediately appeared stating that the United States troops were being driven north by the de facto Government forces.

Refugees who brought their reports north to the American lines to-day said they fled from Namiagua, fearing harm at the hands of the Carranzistas for having been friendly to the Americans during their occupation of the territory.

Members of the Namiagua home guard, who aided Gen. Pershing's men in unearthing caches of Villista arms, were among those who sought protection in the American lines.

**AMERICAN REFUGEES
RUSH TO VERA CRUZ**

700 Are Put Aboard the Summer—Many Arrive at Havana.

SPECIAL CABLE DESPATCHES TO THE SUN.
VERA CRUZ, July 1.—All refugees were transferred to the transport Summer yesterday, 700 being aboard.

The Pierce Oil Corporation's employees arrived last night. Americans continue to reach here from the interior on every train.

The gunboat Wheeling arrived to-day with forty refugees for the Summer. The ship is very crowded.

HAVANA, July 1.—The steamship Monarca arrived here to-day crowded with refugees who swarmed to the ship at Vera Cruz, many paying first class fares to sleep on the deck.

Among the arrivals is Alvarez Alvarado, the Consul from Panama. He says that there is the most intense anti-American feeling throughout all of Mexico. Latin American foreigners are offering their services to fight the United States.

When the news of the fight near Matamoros reached the capital, he said, there was a great popular demonstration, crowds cheering Mexico and shouting "Death to gringos." Americans failing to uncover when the national hymn was played were assaulted.

President Carranza and Gen. Obregon quieted the mob by announcing that they had ordered the immediate retirement of American troops in Mexico.

All accommodations on the next three ships leaving Vera Cruz are said to be engaged by peaceful Mexicans who are very eager to leave their country.

There is the most acute poverty and starvation throughout Mexico.

STRIKE THREATENS CANAL

800 Mechanics, Including Lock Operators, May Quit.

SPECIAL CABLE DESPATCHES TO THE SUN.
PANAMA, July 1.—Eight hundred mechanics, the entire force of the Panama Canal, will decide to-morrow whether or not to strike on account of a reduction in wages, taking effect to-day.

Included among the mechanics are the lock operators. If they should strike, suspension of navigation would be threatened. The reduction in wages takes the form of a charge of rent for quarters occupied by the men.

The wage scale on the canal is higher than in the navy yards of the United States, but is less than the commercial rate.

Acting Governor Harding is powerless because the scale is fixed by law and the rent charge is set by the President.

THE SUN TO-DAY
CONSISTS OF SIX SECTIONS AS FOLLOWS:

FIRST—General News. 10
SECOND—Sporting, Kennels, Automobiles. 6
THIRD—News of the Resorts, Drama, Fashions, Schools. 10
FOURTH—Picture Magazine. 8
FIFTH—Special Features, Books, Currents, Chess. 12
SIXTH—Foreign, Real Estate, Gardens, Foultry, Financial, Problems. 8

Total. 54
Readers or new subscribers who do not receive all of these sections will confer a favor on "The Sun" by notifying the Publication Department at once by the phone (2200 Beekman) and missing sections will be promptly forwarded if possible.

**INCOME TAX RATE
MORE THAN DOUBLED**

New Revenue Bill Introduced
Provides Taxation to Raise
\$250,000,000.

BOOST IN THE SURTAXES

They Run Up to 10 Per Cent.
—Levies on Inheritances
and Munitions.

WASHINGTON, July 1.—The emergency revenue act intended to raise \$250,000,000 to defray the expenses of the national defense programme and a part of the cost of the troop movements incident to the troubles on the Mexican border was introduced in the House to-day in behalf of the Administration by Representative Kitchen, the Democratic leader.

The bill increases the normal rate of the income tax law from one to two per cent. It imposes a tax on inheritances and on munitions of war, and retains all of the features of the war emergency act passed by the last Congress, with the exception of the stamp taxes.

It proposes the enactment of an anti-dumping clause aimed at the flooding of the American market by foreign goods and provides for the creation of a non-partisan tariff commission of five members. The bill levies protective rates on munitions of war, and provides for the creation of a non-partisan tariff commission of five members.

Mr. Kitchen and his associates estimate that the proposed revenue law will yield \$250,000,000 a year, apportioned as follows:

Normal and surtax rates of the income tax law, \$110,000,000; munitions tax, \$50,000,000; inheritance tax, \$50,000,000; parts of war revenue emergency act of the last Congress to be reenacted, \$40,000,000. Grand total, \$250,000,000.

Republican Leaders Surprised.
Republican leaders are surprised at the decision to increase the normal or basic rate of the income tax from 1 to 2 per cent. This is applicable to all incomes above the exemptions of \$3,000 and \$4,000, to \$20,000. In other words the married man with an income of \$5,000 a year, who enjoys an exemption of \$4,000, will pay just twice as much as formerly, or \$20 a year instead of \$10. The exemption of \$3,000 for single persons and \$4,000 for married persons is not changed.

There is also a substantial increase in the surtax rates effected through a reduction in the brackets at which the surtax rates begin to operate. The present law provides for surtax or additional rates beyond the tax of 1 per cent. as follows:

One per cent. on incomes that exceed \$20,000 and do not exceed \$50,000, 2 per cent. on incomes in excess of \$50,000 and not in excess of \$75,000, 3 per cent. on incomes in excess of \$75,000 and not in excess of \$100,000, 4 per cent. on incomes in excess of \$100,000 and not in excess of \$250,000, 5 per cent. on incomes in excess of \$250,000 and not in excess of \$500,000, 6 per cent. on incomes in excess of \$500,000 and not in excess of \$1,000,000, 7 per cent. on incomes in excess of \$1,000,000 and not in excess of \$2,000,000, 8 per cent. on incomes in excess of \$2,000,000 and not in excess of \$5,000,000, 9 per cent. on incomes in excess of \$5,000,000 and not in excess of \$10,000,000, 10 per cent. on incomes in excess of \$10,000,000.

The proposed law provides for surtax rates beyond the proposed new normal rates of 2 per cent. as follows:

One per cent. on incomes that exceed \$20,000 and do not exceed \$40,000, 2 per cent. on incomes in excess of \$40,000 and not in excess of \$60,000, 3 per cent. on incomes in excess of \$60,000 and not in excess of \$80,000, 4 per cent. on incomes in excess of \$80,000 and not in excess of \$100,000, 5 per cent. on incomes in excess of \$100,000 and not in excess of \$150,000, 6 per cent. on incomes in excess of \$150,000 and not in excess of \$200,000, 7 per cent. on incomes in excess of \$200,000 and not in excess of \$250,000, 8 per cent. on incomes in excess of \$250,000 and not in excess of \$300,000, 9 per cent. on incomes in excess of \$300,000 and not in excess of \$500,000, 10 per cent. on incomes in excess of \$500,000.

Thus wealthy men with incomes in excess of \$500,000 will now have to pay 10 instead of 6 per cent.

Tax on Inheritances.
The bill provides for a graduated tax on inheritances. All taxes will be assessed on the "net estate," to be determined by deducting all funeral expenses, and an exemption from levy is allowed up to the gross amount of \$50,000. The rates are fixed as follows:

One per cent. on the amount of net estate less than \$50,000.
Two per cent. of the amount by which the net estate exceeds \$50,000 and does not exceed \$150,000.

Three per cent. of the amount between \$150,000 and \$250,000.
Four per cent. of the amount between \$250,000 and \$450,000.
Five per cent. of the amount by which the net estate exceeds \$450,000.
The tax will be collectible one year

after the death.

Continued on Second Page.

**HIGH PROTECTION IN
NEW REVENUE BILL**

Measure Has Anti-Dumping
Clause and Big Duties
on Dyestuffs.

INDORSED BY PRESIDENT

Severe Penalties to Be Imposed
on Persons Conspiring
Against Home Industries.

WASHINGTON, July 1.—The Democratic revenue bill, which was introduced in the House to-day with the indorsement of the Administration, contains two important protective features.

One is an anti-dumping clause, which is designed to protect the American market against a flood of European goods after the war, and the other is a protective duty on certain manufactured dyestuffs.

The anti-dumping clause represents legislation which President Wilson is supposed to have recommended for inclusion in the Democratic platform adopted at St. Louis. A plank proposed to have had the President's indorsement was presented to the committee which drafted the platform, but it stirred up so much opposition that all reference to anti-dumping legislation was finally omitted. The Democratic reaffirmed the principle of tariff for revenue only with a provision in favor of the establishment of a tariff commission.

Many Democrats contend that the proposed anti-dumping legislation has a distinct protective tinge and that, together with the duties encouraging the manufacture of dyestuffs, marks departure from traditional Democratic policy.

Anti-dumping Feature.
The anti-dumping clause of the new revenue bill follows:

"That when used in this title the term 'person' includes partnerships, corporations and associations.

"That it shall be unlawful for any person importing or assisting in importing any articles from any foreign country into the United States to commonly and systematically sell or cause to be sold such articles within the United States at a price substantially less than the actual market value or wholesale price of such articles at the time of exportation to the United States, or the principal markets of the country of their production, or of other foreign countries to which they are commonly exported.

"Any person who violates or combines or conspires with any other person to violate this section shall be deemed a misdemeanor and on conviction thereof shall be punished by a fine not exceeding \$5,000 or imprisonment not exceeding one year, or both, in the discretion of the court.

"Any person injured in his business or property by reason of any violation of this section may sue therefor in the District Court of the United States for the district in which the defendant resides or has an agent, or in any other district without respect to the amount in controversy and shall recover threefold the damages sustained, and the cost of the suit, including a reasonable attorney's fee.

"That if any article produced in a foreign country is imported into the United States under any agreement, understanding or condition that the importer thereof or any person in the United States shall not use, purchase or deal in, or shall be restricted in his use, purchase or dealing in, the articles of any other person there shall be levied, collected and paid thereon, in addition to the duties imposed by law, a special duty equal to double the amount of such duty.

The Secretary of the Treasury shall make such rules and regulations as may be necessary to carry out this provision."

Duties on Dyestuffs.
A general reclassification of the duties on dyestuffs is proposed in the new bill. Raw products are to be admitted free, with rates running as high as 30 per cent. ad valorem on finished dyes. The

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**INFANT PARALYSIS
KILLS 58 IN WEEK**

Fifty-two New Cases Reported, Bringing the Total Up to 379.

WARNING TO PARENTS

Dr. Simon Flexner Tells Physicians Fly Is Not the Carrier of the Disease.

Fifty-two new cases of infantile paralysis were reported to the Health Department yesterday, bringing the total to 379. Forty-three of these were in Brooklyn districts already affected, 8 were in Manhattan and 1 in the Bronx. The death list reached 76, of which 58 were recorded for the week ended at noon yesterday. Of the deaths for the week, 51 occurred in Brooklyn.

The war against the epidemic became more general yesterday when Dr. Simon Flexner and Health Commissioner Haven Emerson addressed a gathering of 100 physicians from the infected Brooklyn district at the Polhemus Memorial Clinic, to enlist them in a systematic, concentrated fight. Dr. Flexner presented the case from the latest discoveries, while Dr. Emerson told what his department is doing.

After this meeting the Health Commissioner announced that it had been decided to ask parents in the city, particularly those residing in the vicinity of a placard house, to keep their children away from all public gatherings, from churches and Sunday schools, from picnics, from parties, from motion picture and other theatres. The public playgrounds and the recreation piers will not be closed yet, but a careful watch will be kept on them, but it is thought that to deprive the children of these opportunities for exercise and fresh air would do more damage and cause more sickness than to continue them.

Close Watch on Food Supply.
In broadening the scope of the work yesterday inspectors began a systematic investigation of every grocery store, every ice merchant, every milk depot, every candy store or stand or fruit stand in all infected districts. The object is to see that no person who is in contact with a sufferer handles any such merchandise. If a fruit stand man comes from a place infected his stand will be closed down.

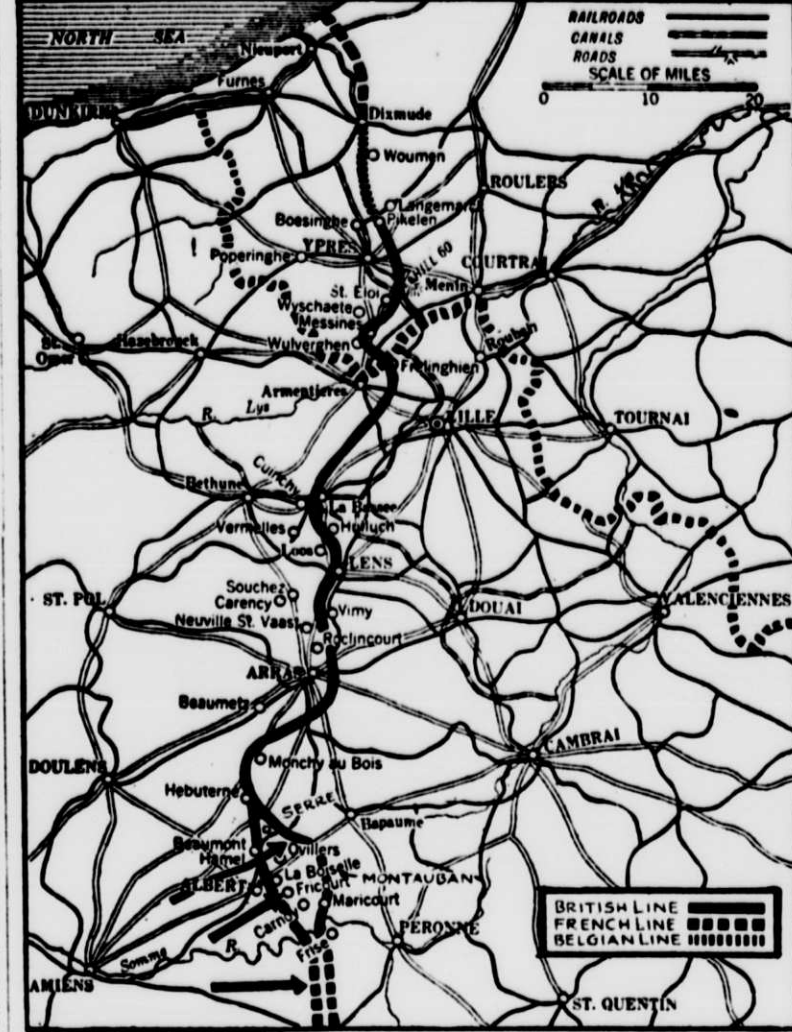
The field force in the five boroughs, which are working twenty-four hours a day to uncover cases and do what is possible in the way of prevention, were further increased yesterday. Ten additional physicians, forty more nurses and a large staff of nurses and attendants were assigned to the work. The arrangements now are such that a physician in private practice may obtain the services of a diagnostician by telephone, while automatically the Police Department, the Street Cleaning Department and the tenement house squads go to work to clean up the premises and enforce the strictest of sanitary laws.

The work now of the field force after the discovery of a case in a district is to locate the telephone, while automatically the Police Department, the Street Cleaning Department and the tenement house squads go to work to clean up the premises and enforce the strictest of sanitary laws.

Special Care in Pavilions.
This point was made plain yesterday—the hospital pavilions provided are in no sense pesthouses. Every appliance and convenience that science has discovered is being utilized. Every ward is light, cool, screened; the food is the best dieticians can devise. The treatment will be the very best that the Health Department and private institutions like the Rockefeller Institute, as well as special hospitals, can give.

Dr. Flexner's address to the Brooklyn physicians summed up all that science knows of the disease and the 100 or more physicians in attendance listened attentively. Infantile paralysis, according to the scientist, is always prevalent in northern Europe. While it attains its greatest virulence in the hot months it continues the year around. It is epidemic in waves and is not confined to any particular country. It was noticed in fact that it not only prevailed in the United States, but in Europe, South America and Australasia. It proceeds

Continued on Eighth Page.

**ANGLO-FRENCH DRIVE HURLS
GERMANS BACK ON 25 MILE
FRONT ALONG RIVER SOMME**

THE German line on a front of about twenty-five miles north and south of the Somme has been broken in a combined attack by British and French troops. Several villages in the direction of Bapaume and Peronne have been captured and heavy fighting continues. The British, French and Belgian lines are shown on the accompanying map as well as the advance, which is indicated by arrows.

**CASEMENT TO ASK
DEATH LIKE EMMET'S**

Has No Hope That Appeal
Will Be Granted and
Accepts Sentence.

SPECIAL CABLE DESPATCHES TO THE SUN.
LONDON, July 2.—According to a statement issued to the newspapers Sir Roger Casement accepts the sentence of death as final. He takes little interest in an appeal, which he considers useless, notwithstanding the optimism of his lawyers. He is preparing a statement which he wishes to issue when his appeal is rejected, as he expects it will be. He will ask to be beheaded as was Robert Emmet.

The prisoner frequently declares his willingness to die. He resents having to wear the clothes of a convict.

U. S. TAKES STEP.

Lansing Instructs Page to Open Informal Negotiations.

WASHINGTON, July 1.—Secretary of State Lansing is understood to have instructed United States Ambassador Page at London to bring informally to the attention of the British Foreign Office as a matter of information the widespread interest in the United States in the fate of Sir Roger Casement, who has been sentenced to death as a traitor.

This action is said to have been taken as the result of a flood of telegrams, petitions and memorials which have reached the White House urging the President to intervene and obtain clemency. It is explained in Administration quarters that the American Government has no ground upon which to make any request of the sort.

Senator Martine of New Jersey sought yesterday to have passed in the Senate a resolution directing the President to protest against the sentence passed on Casement, but the resolution was referred to the Foreign Relations Committee, where it will probably remain.

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**Joint Offensive Launched
—Tentons Lose Entire
First Line.****FIVE MILE ADVANCE
NEAR MONTAUBAN**

Mametz, Serre, Contalmalson, La Boisselle, Dompierre, Fay Taken.

**BRITISH CLOSING
IN ON FRICOURT**

Take 2,000 Prisoners—
3,500 Are Captured by
the French.

SPECIAL CABLE DESPATCHES TO THE SUN.
LONDON, July 1.—A great allied offensive was inaugurated this morning on both sides of the River Somme.

British and French launched their assaults simultaneously on a front of about twenty-five miles and captured the first line of German positions on the entire front attacked. At Montauban, east of Albert, where the greatest progress was made, the British penetrated the German lines for a distance of over five miles. Several villages have been taken, including Montauban, Mametz, Serre, Contalmalson, La Boisselle on the northern part of the front attacked, and Dompierre, Bequincourt, Bussu and Fay on the southern part. The battle is still raging with great violence along the whole front.

The southern flank of the front attacked by the allied forces is only seventy miles northeast of Paris.

Toughly, the front of the offensive extends from the region of Fay, south of the Somme, where the fighting for possession of the town is still in progress, the British taking up the task from that point north.

The immediate objectives of the offensive are the two important railway and highway centres of Peronne, behind the northern part of the line, and Bapaume, to the north. In connection with preparation for the opening of the offensive French aviators on the past two nights have dropped numbers of heavy shells on the railway stations at Serre, Roye and Comfains, behind the German front in this region, and also bombarded munitions factories and other military establishments.

Attack Made Simultaneously.
The drive was launched simultaneously by the two armies at 7:30 o'clock this morning, with eight days of artillery bombardment described as the most violent yet known on the western front. This bombardment had covered the whole German front facing the northern French and the British lines.

This morning at about 6 o'clock it was suddenly concentrated with unparalleled fury on the front north, east and southeast of Albert. After an hour and a half of terrific artillery work the infantry climbed from their trenches all along the line and drove at the Germans through a cloud of smoke and dust resulting from the fall of shells.

On the British side, after the attack the attacking troops through and over a trench labyrinth on a front of seven miles to a depth of 1,000 yards. In the same region Mametz and Montauban fell into the hands of the British, who, to

Refuse to Fire on Cologne Mob in Food Riot.

GERMAN TROOPS KILL POLICE.

Refuse to Fire on Cologne Mob in Food Riot.

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